

Strategy For Results-Oriented Government



City of Lynchburg
November 1998



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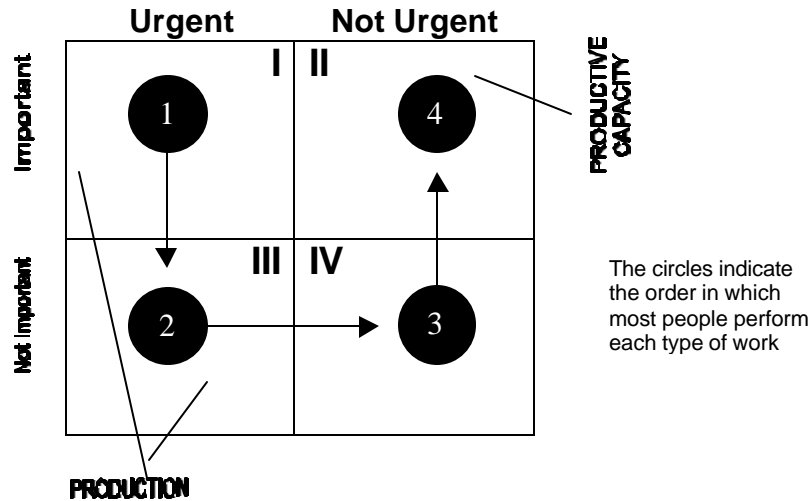
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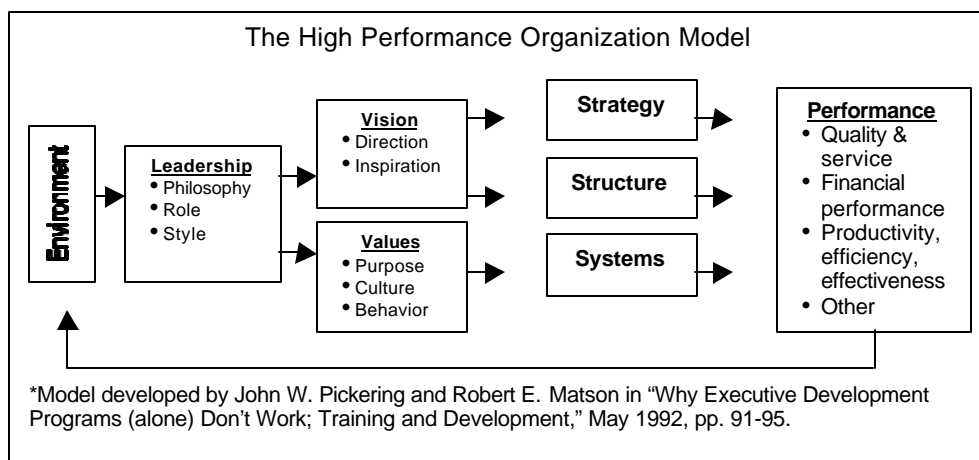
CHANGING NEEDS

1. City Council is providing strong leadership and a results orientation, but internally we need to increase our ability to work together to maximize our productive capacity.



Adapted from: Stephen R. Covey, The Seven Habits of Highly Effective People: Restoring the Character Ethic (New York: Simon & Schuster), pp. 150-156.

2. The City Council has provided strong vision and values to focus the organization and its decision making, but our organizational strategy, structure and systems need to be more effectively aligned with City Council's vision to maximize results.





CHANGING NEEDS, continued

3. External changes in technology are allowing information to flow more freely. Customers are developing greater expectations regarding the speed and quality of services. The City must maximize the use of technology and capable employees to meet customer needs.
4. Lynchburg has lost population to surrounding counties, which diminishes its revenue base, and it has a higher concentration of low-income families than our neighbors.
5. The City's lower income residents need and require a higher level of municipal services.
6. The City needs an integrated strategy for building neighborhoods, rather than just responding to problems.
7. The City lacks appropriate measures to evaluate the efficiency and effectiveness of City services.
8. The City Manager has too many direct reports, which does not allow time for focus and leadership.
9. Because we lack a strategic plan, we are unable to insure that we maximize the resources available to us to meet current needs or to insure that we are able to meet future needs.
10. We need to adopt core strategies that will ensure our success as a City government.
 - We must acquire input and feedback from citizens to ensure that they perceive that services are high quality, valued, and efficient.
 - We must communicate with citizens about the value they receive in City services.
 - We must develop more aggressive strategies for developing our human resources, including strategies for attracting and retaining talent.
 - We must increase our ability to find resources through partnering and networking and to allocate and re-allocate resources with ease to achieve desired results.

Because of CHANGING NEEDS, the City Manager's Office would like to be more effective in its role of supporting City Council, the Community, and the City Organization.

To maintain an effective leadership focus, the City Manager and staff must continually assess the environment, ensure clear expectations and accountability and create organizational structure that insures effective results, despite changing needs and conditions.



ROLE OF THE CITY MANAGER'S OFFICE

The City Manager's Office for the City of Lynchburg exists to fulfill three major roles:

1. **Supporting City Council in its Decision-Making Role**
 - Support City Council's/community's visioning process
 - Ensure City Council has information about issues including background and alternatives and options so it can make informed decisions
 - Provide City Council and the community with information on the progress, challenges, and opportunities in meeting City Council and community goals
 - Provide financial options to ensure quality services and continued financial health
2. **Serving and Partnering with the Community**
 - Anticipate issues which will impact the community, the region, and city government and develop effective strategies
 - Enable the City to be an effective, collaborative partner with community organizations and other local governments
 - Advocate for the City with state and national governments and organizations
 - Provide unified and effective leadership
3. **Working with the City Organization to Focus, Set Priorities, and Build Capacity**
 - Ensure consistent and integrated leadership to focus the organization
 - Ensure City systems, strategy, and structure support the employees as they serve the citizens
 - Create an environment where employees are creative and focused on customers and citizens
 - Ensure employees are challenged and rewarded (i.e., compensation and training) for their contribution and that the rewards are competitive to ensure the City attracts and retains highly qualified and dedicated public servants and trustees
 - Establish performance measures and monitor and reward achievement

CORE VALUES FOR THE CITY MANAGER'S OFFICE

1. Believe in the citizens' ability to select citizen leadership to guide the City via vision, principles, and goals and that City Council and citizens are best served by a professional and non-partisan staff.
2. Believe that City employees are capable and knowledgeable people who care about the citizens of Lynchburg and wish to be led rather than managed.
3. Believe as public servants that we are trustees and are responsible to the citizens and City Council to provide efficient and effective services with accountability.
4. Believe that it is the responsibility of leadership to provide meaningful opportunities and challenges for employees, while providing employees with competitive rewards and continuous training.
5. Believe that leaders must be future-focused, enabling the organization to meet both current and future needs and to see possibilities that move the organization beyond current realities and thinking.



OVERVIEW OF THE CHANGES TO BE MADE

1. **Strategic Leadership Team**

The organizational structure will change to include a Strategic Leadership Team of Strategic Leaders, who represent critical areas, including Community Safety, Human Services, Public Works and Infrastructure, Economic Development, and Community Planning & Development. Their global role will be to:

- Plan, execute, and evaluate organization-wide strategies that achieve Council's vision and goals and important community needs
- Serve as the City's futurists, responsible for giving the organization its strategic advantage and opportunities
- Provide credible, model leadership that creates an organization where people can be successful

2. **Accountability for Results**

- a. The Strategic Leadership Team structure will significantly reduce the number of people who report directly to the City Manager. Several departments will be realigned under Strategic Leaders or the City Manager's Office for a more strategic focus on results.
- b. The Strategic Leadership Team will be directly responsible for strategic management planning and will provide indirect oversight to core business units, whose Core Business Leaders will assume more direct accountability for results.
- c. New performance contracts for Strategic Leaders will be results-driven and will clearly specify the strategic tasks of the group and the reward system for this realignment.
- d. Core Business Leaders will be responsible for the operation of the core businesses and processes and the systems will be aligned to reflect this accountability (value, development, rewards).

3. **Annual Strategic Management Planning**

To achieve a greater focus on results, the City will adopt a fully integrated, annual Strategic Management Planning process.

- a. In addition to City Council's vision and goals, there will be greater reliance on citizen input and on the Strategic Leaders, who will serve as resources for environmental scanning, research, strategic thinking, execution, and evaluation.
- b. The Strategic Leadership Team will develop the internal strategic plan and strategic planning will also take place at the department/core business level.
- c. Organizational performance measures will insure a results-orientation.
- d. Annual citizen surveys will determine satisfaction with City services and the City will regularly report to the community on its performance.



OVERVIEW OF THE CHANGES TO BE MADE, continued

4. City Manager's Office

- a. **The City Manager's Office will realign its focus to insure a results-orientation by incorporating the functions of strategic planning, organization development, performance accountability, project management and evaluation, as well as resource allocation and policy administration.**
- b. **Leadership roles in the City Manager's Office will be realigned to support the new focus.**
 - The City Manager will articulate vision and direction and insure that political decision making and the operation of the organization are aligned.
 - Deputy City Managers will oversee two newly created units which address strategic planning and integrated business systems.
 - The City Manager, Deputy City Managers, and City Attorney will meet regularly to insure that the organization is achieving desired results and to make necessary changes in strategy.

5. Strategic Skills Development

The results-orientation of the Strategic Leadership Team and organization will be ensured through a required, intensive development program that will assist in:

- a. Aligning vision, mission, values, and service philosophy
- b. Developing strategic planning skills
- c. Focusing on the customer, core businesses and processes
- d. Financial management knowledge and skills development
- e. Learning how ABC costing and organizational performance measures will insure results
- f. Identifying group and individual leadership competencies
- g. Enabling system and work redesign
- h. Providing skills for continuous improvement and management

The skill development program will occur over a 12 month period.

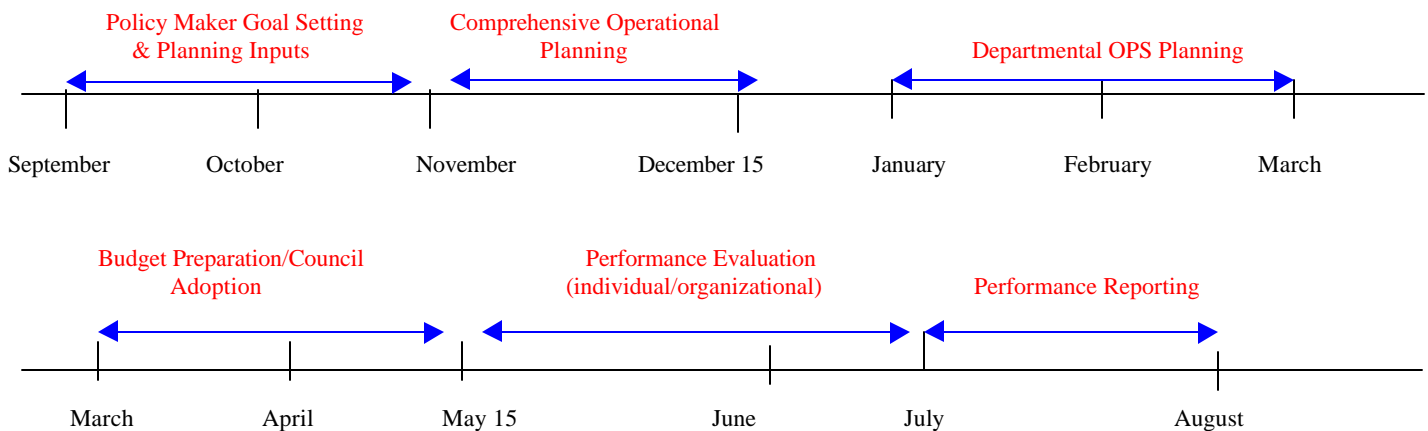


STRATEGIC MANAGEMENT PLANNING AND EXECUTION: A LIFE CYCLE FOR THE ORGANIZATION

The organization will adopt an annual strategic management planning and execution approach that includes the following:

- Citizen and Policy-Maker Input
- Global Strategic Management Planning
- Departmental Strategic Management Planning
- Resource Allocation
- Execution
- Performance Evaluation
- Performance Reporting to Citizens and Policy-Makers

Annual Strategic Management Planning Cycle



The Strategic Leadership Team will have the responsibility for developing and executing the strategic management plan, with the support of the Strategic Planning Unit in the City Manager's Office.

The components of Strategic Management Planning for which the Strategic Leadership Team will be responsible include:

1. Developing and owning the strategic plan
2. Conducting ongoing environmental assessment by identifying trends and issues and through impact research
3. Conducting SWOT analyses (defining needs, opportunities, challenges, resources)
4. Defining focus/direction of organization
5. Resource and tactical planning
6. Developing integrated, strategic thinking to examine/improve core issues (i.e. staffing levels, standards, centralization)
7. Identifying core organizational strategies critical to success and insuring execution
8. Determining evaluation methods and linking them to the budget and performance measures system

Strategy For Results-Oriented Government

(See attached City of Lynchburg Organizational Chart)



STRATEGIC THRUST AREAS

1. Community Safety

- Police
- Fire
- Emergency Communications
- Regional Jail*

2. Public Works and Infrastructure

- Utilities
- Streets
- Building and Grounds
- Waste Management Facility
- Engineering

3. Human Services

- Social Services
- Parks and Recreation
- Libraries
- Museums
- Youth Services

4. Economic Development

- Airport
- Region 2000*
- Industrial Development Authority*
- Tourism*

5. Community Planning and Neighborhood Services

- Community Planning and Development
- Neighborhood Development/Services
- Inspections and Code Enforcement

6. Integrated Business Systems

- Human Resources
- Financial Services
- Assessor's Office
- Information Technology
- Customer Service and Communication
- Fleet Services*

7. Strategic Planning

- Strategic Planning and Organization Development
- Fiscal Planning
- Budget and Organizational Performance Measures
- Management and Policy Analysis
- Project Management

*Oversight or liaison



ROLE/OUTCOMES OF THE STRATEGIC LEADERSHIP TEAM

The Strategic Leadership Team will be responsible for ongoing Strategic Management Planning and Execution for the organization. Strategic Management Planning will translate the vision and goals of the City Council, along with other citizen input, into an internal operational plan that provides focus and direction for the organization, along with resource and tactical planning.

Leaders on the Strategic Leadership Team must:

1. Serve as the “futurists” of the organization, responsible for giving the organization its “strategic edge”
2. Wear organizational hats, addressing the needs of the City from a broad position of ownership, eliminating “my department” in favor of “Our city must . . .” Together, these leaders will achieve those results that no one department or individual can achieve.
3. Provide strategic leadership, focus and direction
4. Determine, design, and provide the “service mix” that achieves Council’s goals
5. Be responsible for the performance of the organization
6. Translate the Council’s expectations and the City Manager’s expectations into a quality strategic management plan that allows staff to execute successfully
7. Identify and execute core strategies that address organizational gaps and needs
8. Through creative partnerships and planning, insure that the organizational work units have appropriate resources to achieve organizational goals
9. Find resource opportunities that will benefit the organization through partnerships, networking, and benchmark research
10. Aggressively develop the organization’s capabilities and human competencies

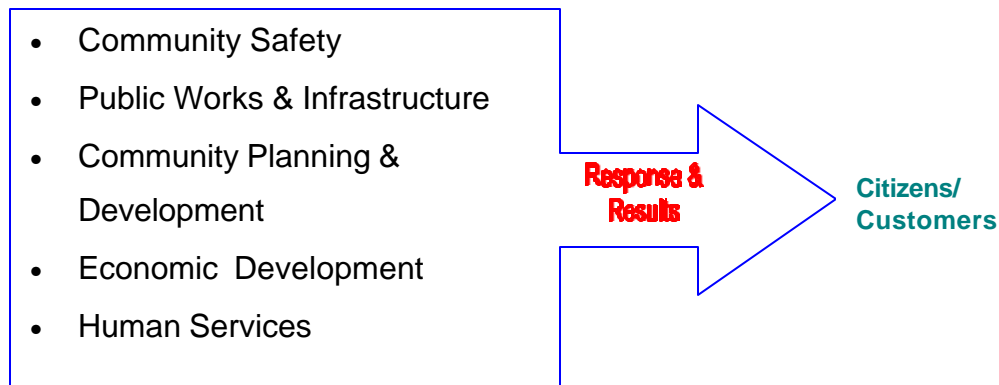


ROLE/OUTCOMES OF THE STRATEGIC LEADERSHIP TEAM, continued

Activities of the Strategic Leadership Team

- Articulating results that must be achieved for the community and the staff; define and accept broad oversight for the organization's core strategies
- Develop a high profile for sharing information and gaining support for major strategies that will improve quality of community or organizational life
- Never say "my department," instead - "This is the perspective of the City on this issue . . . ; We've got to . . . or What's got to happen is . . ."
- Create partnerships with state agencies to get up-front information about upcoming issues and trends and to get resources for the organization
- Work in partnership with Core Business Leaders to determine resource and staffing needs and assist with strategies to maximize our human resources
- Serve as strong advocates of the High Performance Model (HPO) and the results to be gained from it
- Adopt a consistent model to achieve a results-orientation and insist on it
- Serve as "ambassadors" for City successes. Because financial resources follow success and not failure, a requirement of their role will be that they share organizational successes and create a positive image of the future.

Thrust Areas





CMO RESULTS FOCUS GROUP AND ROLES

The City Manager, Deputy City Managers, and City Attorney will serve as an ongoing Results Focus Group to insure that the organization is achieving desired results and to make necessary changes in strategy.

This core group will meet regularly and frequently to:

- Evaluate progress and make needed adjustments
- Create and clarify roles as needed; insure appropriate linkages
- Appraise the role of the Strategic Leadership Team; insure clear expectations
- Insure that there is an effective and professional City Council and City Administration
- Be proactive; create urgency and focus where it is needed
- Align systems properly to avoid conflict and inefficiency
- Determine where to best apply competencies to get needed action
- Determine needed organizational and individual development
- Insure that the message from the Manager's Office is singular

The City Manager's Role:

- Articulating a vision and direction that unites the organization
- Interpreting and translating the City Council's vision, policies, and goals to staff in meaningful ways
- Focusing on results, including: "Who's producing?" and "What clarifications are needed to get right results?"
- Insuring accountability through a consistent demand function, using organizational systems as resources
- Configuring organizational architecture to make people successful
- Reinforcing right successes
- Seeking and maintaining regional cooperation
- Developing and maintaining effective partnerships with the community and businesses

The Deputy City Managers' Role:

- Utilize strengths, experience, and competencies to lead areas in the City Manager's Office
- Insure an overall knowledge of the organization
- Work closely with City Council and other partners
- Insure the strategic focus of the organization through futuring and by effectively leading the Strategic Planning Unit to support the City's results orientation
- Provide focused, integrated leadership to insure that the City's business systems operate by the business principles and with maximum efficiency and effectiveness
- Have the ability to realign organizational structure and resources to insure that the City's business systems are effective, potentially using a clean slate approach



ROLE/OUTCOMES OF THE STRATEGIC PLANNING UNIT

The City Manager's Office will provide focused support for organizational strategy through a Strategic Planning Unit that will serve the City Council, Strategic Leadership Team, and the organization.

Staff in this unit will support the areas of strategic planning, organization development, management analysis, fiscal planning, budget and resource allocation, performance accountability, and project management. Some of these tasks may include:

1. Fiscal Planning

- Long range planning on financial matters, trends, and legislation that have an impact on the City and region
- Special projects that require creative fiscal planning, funding, or partnerships
- Fiscal policy planning, including policy research, analysis and formulation; recommend strategies to maximize resources and to ensure the City's strong financial health
- Debt management
- Regular financial updates to ensure effective management
- Education for policy-makers and Strategic Leaders to provide for effective financial management

2. Budget and Organizational Performance Measures

- Develop a resource allocation process that serves as a tool to fund the strategic management plan developed by the Strategic Leadership Team
- Insure full use of automation and integration with the strategic plan, fiscal plan, financial system, and the organizational measurement system on an annual cycle
- Operate the budget system according to the business principles; utilize various approaches to gain citizen input on funding priorities
- Insure the budget system enables Council and staff to evaluate the cost of service delivery to assure competitiveness, productivity, and the appropriate service mix
- Develop a performance measurement system to measure and document achievement of the Council's vision and goals and the organization's strategic management plan
- Provide education/training on how to use the system and on how to benchmark to improve performance
- Develop and maintain baseline and subsequent documentation; monitor and report City-wide efforts
- Recommend strategies for improvement of organizational performance; assist in developing improvement plans



ROLE AND OUTCOMES OF THE STRATEGIC PLANNING UNIT, continued

3. Organization Development/Strategic Planning/ Management Analysis

- Through research and analysis of best practices, identify and create a focus on critical organizational success issues; develop options and recommendations for core strategies
- Identify potential organizational thrust areas
- Provide organization development for the City Council, City Manager, and Strategic Leadership Team
- Facilitate a process that defines a philosophy for operating government and develops comprehensive, required strategies that all work units will use
- Facilitate and support the Strategic Leadership Team's strategic planning process
- Create and implement a development plan for the Strategic Leadership Team that insures appropriate leadership skills, the best use of member strengths, and the development of a global community perspective
- Provide performance consultation and design interventions and strategies to achieve enhancements
- Provide policy research and development for organizational administrative policy

5. Project Management

- Coordinate the use of project managers for organization-wide projects to insure consistent, cost-effective business system solutions
- House the Project Managers for a base operation that will ensure the use of a consistent organizational philosophy and approach to project management, while deploying appropriately



ROLE/OUTCOMES OF BUSINESS SYSTEMS

The City Manager's Office will insure a focus on integrated, responsive internal business systems through the overview of a Deputy City Manager. Internal business systems will be managed by Core Business Leaders. The business systems must align their performance more closely with the Business Systems Vision, as follows:

City Systems will efficiently support the optimum business performance of the City employees as they serve the City and its customers.

Further, the City's Business Principles, developed in September 1997 will be used to insure that the business systems maximize organizational performance.

Outcomes:

- Though not inclusive of all the outcomes to be achieved by the City's internal business systems, the following are representative:
- Develop business systems that are characterized by a high level of internal customer service, to maximize the ability of the core business to focus on the external customer
- Ensure that business systems are guided by vision and principles rather than by rules, empowering the employee to serve the customer with flexibility and confidence
- Develop and implement a human resources system that will attract and retain a highly competent workforce, making full use all available human resource strategies
- Insure that employees can achieve high performance by creating a culture and systems that promote learning, good interpersonal skills, and knowledge and technical skills
- Utilize a highly integrated data-base in all business systems to provide information for employees and customers quickly and accurately
- Insure that the core businesses providing business systems support provide centralized guidance regarding organizational policy to reflect good business decision-making and best business practice
- Create systems that provide for decentralized data entry, allowing employees to maximize the use of their time and to increase contact with the customer/public
- Enable employees, through financial and performance reporting, to measure the real-time cost and effectiveness of programs
- Utilize customer service standards to help units develop a strong philosophy of customer service that translates into specific behaviors and measurable results
- Develop a customer service support tracking system that utilizes technology to log customer input and to follow service to insure good response and evaluation
- Implement a measurable system to insure that internal and external customers are highly satisfied with City services and that the City Council's vision is achieved
- Implement a system for educating citizens about government and service value



TRANSITION STRATEGIES

1. Acquiring Talent for New Roles

- The current business systems and other functions related to strategic planning will be transitionally reassigned in order to insure that there is an effective focus on the most critical results during the transition. This transitional assignment will be re-evaluated upon the hiring of the new Deputy City Manager and systems will be realigned to achieve the most effective integration. These transitional alignments for leadership and focus include:

City Manager:

Fiscal Planning
Finance
Budget & Organizational Performance
Measurement
Assessor's Office
Information Technology

Deputy City Manager

Human Resources
Organization Development/Strategic
Planning/Management Analysis
Communication and Customer Service
Fleet Management
Project Management

- The transition will be accomplished by prioritizing the most critical positions to be filled to effect the desired leadership and results focus.
- Existing positions will be used to fill the newly defined positions. Current and upcoming vacancies suspended until these evaluations can be completed.
- In some cases, an Acting Core Business Leader may be appointed to insure that the core business runs effectively during the transition. This strategy may also be used where it is desirable to fill a position to whom the core business leader will report before filling a vacancy.

2. Timetable

Nov. 16-24, 1998	Discussions with City Council regarding Strategy
Nov. 20, 1998	Appoint Deputy City Manager
Nov. 30-Dec. 10, 1998	First Discussions with Executive Staff regarding Strategy
Dec. 10, 1998	Announce Plan to Organization
Dec. 13-24, 1998	Second Discussions with Executive Staff regarding Strategy
Jan.- Mar. 1999	Changes become effective, using a prioritized timetable [Vacancies filled according to criticality]

3. Fiscal Team

A Fiscal Team will be convened in December 1998 to manage the interim financial concerns of the City. The team will include staff from the City Manager's Office, the current Finance Department, and from the Budget Office.



TRANSITION STRATEGIES, continued

4. Council Reporting

A City Council Communication and Reporting Group will be chartered in November to re-engineer the City Council communication system, including the agenda and reporting process. This group will be tasked to redesign the process so that it:

- Identifies and meets the needs of the City Council in providing staff support
- Insures the maximum effectiveness of the City Council's decision-making
- Sets standards for communication and for the preparation of materials for City Council
- Minimizes the preparation role of the City Manager's Office in favor of reviewing and maintaining the standard
- Assures success with appropriate education and evaluation mechanisms
- Provides responsible oversight of Council reports to insure that they are of high quality and are timely.